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Counterpart No. 4
Of 4 Counterparts

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INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

Dated as of May 15, 1971

between

BETHLEHEM STEEL CORPORATION

and

THE LOUISVILLE AND NASHVILLE RAILROAD COMPANY

Covering

200 100-Ton Open Top Hopper Cars

LEASE OF RAILROAD EQUIPMENT

THIS AGREEMENT made as of the 15th day of May, 1971, by and between BETHLEHEM STEEL CORPORATION (hereinafter called the Manufacturer) and LOUISVILLE AND NASHVILLE RAILROAD COMPANY (hereinafter called the Railroad);

WITNESSETH:

1. The Manufacturer and the Railroad heretofore entered into an Order (Railroad's Purchase Order dated March 6, 1971, and Manufacturer's Order DF 3400-252 both of which are by reference made a part of this Agreement as fully as though expressly set forth herein) whereunder the Manufacturer agreed to construct and deliver to the Railroad, and the Railroad agreed to accept and pay for the following railroad equipment (hereafter called the Cars); 200 100-Ton Open Top Hopper Cars, bearing Railroad's Nos. 193200 to 193399, inclusive.

2. Delivery of the Cars is scheduled to begin May 24, 1971. However, inasmuch as the Railroad has not as yet consummated financing arrangements, it is not in position to accept delivery of and pay for the Cars under the terms of the Order at this time. The Railroad represents that such financing arrangements will be consummated, however, on or before June 15, 1971. The Railroad, in order that it may use the Cars pending completion of the above financing arrangements and so that the Manufacturer may deliver the Cars, has arranged with the Manufacturer to give it temporary custody and possession of the Cars upon their completion, solely as a lessee of such Cars, and the Manufacturer is willing to do so upon the terms and conditions hereinafter stated.

3. In consideration of the premises, the Manufacturer hereby leases, for a total rental of Ten Dollars (\$10.00), to the Railroad and the Railroad hereby hires from the Manufacturer each of the Cars as of the date each of them is delivered to the Railroad, and ending as to each of the Cars on such date as the Railroad shall make payment, or cause payment to be made for each of the Cars, which in no event shall be later than June 30, 1971.

4. After Railroad's representative finds that each Car upon completion has been built in accordance with the requirements of the Order, he will execute and deliver to the Manufacturer at its plant a Certificate of Inspection and Acceptance in the form annexed hereto as Exhibit A, certifying to that effect. Upon delivery of each Car to

the delivery point, the Railroad's representative will execute said Certificate of Inspection and Acceptance, in the form annexed as Exhibit A hereto, acknowledging the receipt of delivery of each Car under this Agreement.

5. Title to the Cars shall remain in the Manufacturer and the Railroad's right and interest therein is and shall be solely that of possession, custody and use as lessee under this Agreement. Transfer of title shall be effected only at the time of delivery by the Manufacturer of the bills of sale.

6. The Railroad, without expense to the Manufacturer, will promptly cause this Agreement to be filed with the Interstate Commerce Commission for recordation under Section 20c of the Interstate Commerce Act. In addition, the Railroad shall do such other acts as may be required by law, or reasonably requested by the Manufacturer, for the protection of the Manufacturer's title to and interest in the Cars.

7. The Railroad agrees that it will permit no liens of any kind to attach to the Cars; and that it will

- (a) indemnify and save harmless the Manufacturer from any and all claims, expenses or liabilities of whatsoever kind; and
- (b) pay any and all taxes, fines, charges and penalties

that may accrue or be assessed or imposed upon the Cars or the Manufacturer because of its ownership or because of the use, operation, management or handling of the Cars by the Railroad during the term of this lease. The Railroad's obligations contained in this paragraph shall survive the termination by mutual agreement or otherwise of this Agreement.

8. The Railroad will, at its own expense, keep and maintain the Cars in good order and running condition and will at its option repair or replace or promptly pay to Manufacturer the purchase price in cash of those Cars which may be damaged or destroyed by any cause during the term of this Agreement. If payment is made in cash for a damaged or destroyed Car as aforesaid, rental for such Car shall cease to accrue at the time of such payment. Upon the expiration or other termination of this Agreement the Railroad will surrender and deliver up the Cars in good order and running condition to the Manufacturer free of all charges at the point designated by the Manufacturer, and such surrender or delivery shall not be deemed a waiver of any rights of the Railroad or the Manufacturer of any rights otherwise conferred by this Agreement, the Order, or by law.

9. Prior to the delivery of each Car to the Railroad, it will be numbered with a car number as hereinbefore indicated, and there shall be plainly, distinctly, permanently, and conspicuously placed and fastened upon each side of each Car a metal plate bearing the following legend, or such legend shall be otherwise plainly, distinctly, permanently, and conspicuously marked on each side of each Car, in either case in letters not less than one-half inch in height:

"LOUISVILLE AND NASHVILLE RAILROAD EQUIPMENT TRUST
SERIES 8 -- MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, OF BALTIMORE, MARYLAND, TRUSTEE, OWNER,
LESSOR."

The Railroad hereby agrees to indemnify the Manufacturer against any liability, loss, or expense incurred by it as a result of the placing and fastening of the aforementioned plates on said Cars.

In case, during the continuance of this Agreement, such name plate or mark shall at any time be removed, defaced, or destroyed on any Car, the Railroad shall immediately cause the same to be restored or replaced.

10. All or any of the rights, benefits or advantages of the Manufacturer, including the right to receive payment of the rental provided for herein, or the right to receive the purchase price of the Cars as provided in the Order, may be assigned by Manufacturer and reassigned by any assignee at any time or from time to time, provided, however, that no such assignment shall subject any such assignee to any of Manufacturer's guarantees, warranties, indemnities, or any other obligations contained in this Agreement or in the Order relating to the Cars. In the event Manufacturer assigns its rights to receive the payments herein and/or under the Order, and the Railroad receives written notice thereof from the Manufacturer, together with a counterpart of such assignment stating the identity and the post office address of the assignee, all payments thereafter to be made by the Railroad under this Agreement shall, to the extent so assigned, be made to the assignee against proper receipt therefor in form satisfactory to the Railroad.

11. In the event of any assignment of the Manufacturer of its rights to receive any payments under this Agreement or under the Order, the rights of such assignee to such payments as may be assigned together with any other rights hereunder which can be and are so assigned, shall not be subject to any defense, set-off, counterclaim, or recoupment whatsoever arising out of any breach of any obligation of the

Manufacturer in respect to the Cars, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by the Manufacturer. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad, its successors and assigns only against the Manufacturer and its successors and assigns (other than assignees as such of rights, benefits, or advantages assigned pursuant to this Agreement).

12. The Railroad agrees with the Manufacturer that the execution by the Manufacturer of this Agreement or the delivery by the Manufacturer to the Railroad of the Cars, as contemplated by this Agreement, shall not relieve the Railroad of its obligations to accept, take, and pay for the Cars in accordance with the terms of the Order, or impair any of the Manufacturer's rights under the Order.

BETHLEHEM STEEL CORPORATION

By *J. H. Walker*
Vice President

ATTEST:

G. L. Frankel
Assistant Secretary

LOUISVILLE & NASHVILLE RAILROAD COMPANY

By *W. F. Johnson*
Director of Purchases

ATTEST:

W. F. Johnson
Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF NORTHAMPTON

} ss.:

On this 16th day of April, 1971, before me personally appeared J. H. WALKER to me personally known, who, being by me duly sworn, says that he is a Vice President of Bethlehem Steel Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Ernest J. Doherty
Notary Public

My Commission Expires
City of Bethlehem
Northampton County
October 13, 1974

My Commission Expires: _____

STATE OF KENTUCKY

COUNTY OF JEFFERSON

} ss.:

On this 23rd day of April, 1971, before me personally appeared W. S. Johnson to me personally known, who, being by me duly sworn, says that he is Director of Purchase of The Louisville and Nashville Railroad Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Harold J. Jones
Notary Public

My Commission Expires: March 4, 1973

EXHIBIT A

CERTIFICATE OF INSPECTION AND ACCEPTANCE

No. _____

Date: _____

Re: Louisville and Nashville Railroad Equipment Trust,
Series 8

Gentlemen:

The undersigned, Inspector for said Railroad Company, agent for Mercantile-Safe Deposit and Trust Company of Baltimore, Maryland, Trustee, hereby certifies that he has inspected at your plant, the equipment described as follows:

_____ 100-Ton Open Top Hopper Cars, bearing the
Railroad's Nos. _____ to _____, inclusive,

constructed by your Company, under a Purchase Agreement between your Company and said Railroad Company, and that the equipment above described has been approved by him on behalf of said Railroad Company as conforming with respect to workmanship, material, construction and otherwise to all requirements and provisions of said Agreement, and that said equipment has been delivered to the Railroad Company and accepted pursuant to the terms of the Lease of Railroad Equipment dated as of May 15, 1971.

The undersigned further certifies that at the time of inspection and approval thereof, there was plainly, distinctly, permanently and conspicuously marked on each side of each such unit of equipment the words in letters not less than one-half inch in height:

"LOUISVILLE AND NASHVILLE RAILROAD EQUIPMENT
TRUST, SERIES 8 -- MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, OF BALTIMORE, MARYLAND, TRUSTEE,
OWNER, LESSOR."

Yours very truly,

Inspector for
Louisville and Nashville Railroad Company
Agent for Mercantile-Safe Deposit and Trust Company